U. S. FOREST SERVICE

RESEARCH NOTE NC-30

NORTH CENTRAL FOREST EXPERIMENT STATION, FOREST SERVICE—U.S. DEPARTMENT OF AGRICULTURE

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Northern Minnesota Lumber Production Declines From 1960 to 1965

ABSTRACT. — Shows lumber production by species in three Survey Districts of northern Minnesota and by county for softwoods, aspen, and other hardwoods. Compares lumber production in 1960 with 1965.

Lumber production in 23 northern Minnesota counties (fig. 1) dropped 15 percent between 1960 and 1965 (tables 1 and 2). According to a recent sawmill survey by the Office of Iron Range Resources and Rehabilitation in cooperation with the Station, the amount of lumber sawn decreased from about 120 million board feet in 1960 to 102 million board feet in 1965. Since the survey covered only northern Minnesota these results cannot be directly compared with the 1960 cut in all of Minnesota of 162 million board feet. However, as about 74 percent of the State's lumber is normally sawn in the northern area, it is probable that lumber output for the entire State decreased in these 5 years.

In three Survey Districts (Northeast, Central Pine, and Rainy River) the lumber manufactured from all species was 112 million board feet in 1960 and 95 million board feet in 1965, a reduction of about 15 percent (table 1). The decrease was 24 percent in the Northeast District, and 11 percent in the Central Pine District. Almost no change in lumber production occurred in the Rainy River District. In these three districts 18 percent less softwood lumber and 28 percent less aspen lumber was sawn in 1965 than in 1960. Production of lumber from other hardwoods increased 30 percent. The decline in aspen production parallels the decline in the market for wooden boxes. At the same time a growing pallet market has furnished an outlet for the increased lumber production from other hardwood species.

Itasca, St. Louis, and Clearwater Counties lead in lumber manufacturing (table 2). Between the two surveys lumber output in-

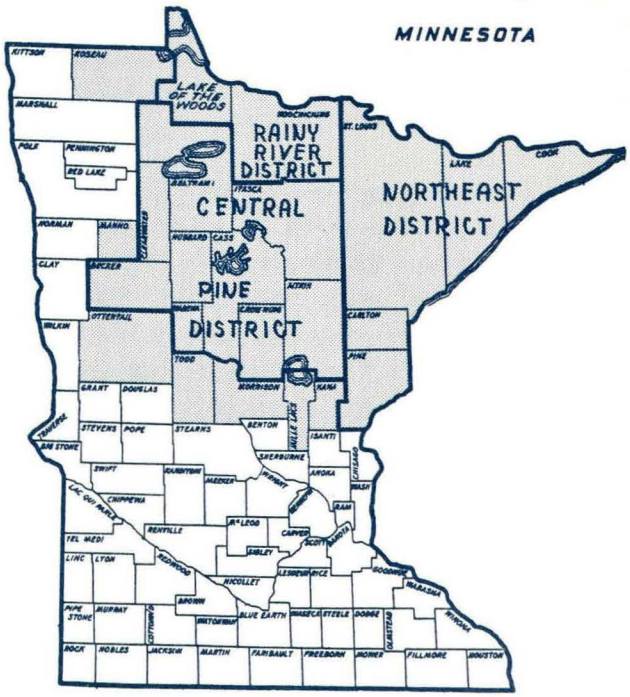

Figure 1.—Study counties are shaded. Districts are outlined with heavy lines.

Table 1. — *Production of lumber by species and districts, Northern Minnesota, 1965*
(Thousand board feet lumber tally)

Species	Northeast District	Central Pine District	Rainy River District	Other 1/	Total	Percent of total
Balsam fir	237	512	74	30	853	0.8
White-cedar	1,024	59	45	14	1,142	1.1
Jack pine	1,360	6,046	399	1,896	9,701	9.5
Red pine	4,194	10,696	1,791	176	16,857	16.5
White pine	13,173	9,269	2,138	65	24,645	24.1
Spruce	1,159	971	72	63	2,265	2.2
Tamarack	-	52	-	89	141	0.1
Total softwoods	21,147	27,605	4,519	2,333	55,604	54.3
Ash	158	1,391	13	431	1,993	1.9
Aspen	3,866	17,987	2,355	1,189	25,397	24.8
Basswood	400	1,910	-	1,298	3,608	3.5
Birch	2,431	1,633	2	61	4,127	4.0
Cottonwood	-	43	-	-	43	-
Elm	314	4,160	-	501	4,975	4.9
Hard maple	17	191	-	376	584	0.6
Soft maple	-	186	-	-	186	0.2
Red oak	499	1,852	-	765	3,116	3.1
White oak	-	788	261	232	1,281	1.3
Balsam poplar	-	1,439	-	-	1,439	1.4
Total hardwoods	7,685	31,580	2,631	4,853	46,749	45.7
ALL SPECIES	28,832	59,185	7,150	7,186	102,353	100.0
Percentage change from 1960	- 24	- 11	None			

1/ Includes Kanabec, Mahnomen, Mille Lacs, Morrison, Otter Tail, Roseau, and Todd Counties.

creased 12 percent in Itasca County, decreased 29 percent in St. Louis County, and increased about 86 percent in Clearwater County. Several mills specializing in pallet lumber manufacturing accounted for much of the increase in Clearwater County.

Several interrelated factors contributed to the decline in lumber produced. First, there was a scarcity of good woods workers. Industrial growth was accelerating in the Lake States in 1965, and several taconite developments began on the Minnesota Iron Range. Accordingly, some woods workers switched to other industrial occupations offering promise of greater fringe benefits, or more job security, or higher pay. In addition, the number of farm laborers, a traditonal source of part-time woods employees, shrank from 1960 to 1965 in northern Minnesota. Secondly, a shortage of good-quality saw logs occurred in 1965. Part of the shortage resulted from insufficient woods labor, but poor weather conditions for logging operations was a major cause also. Thirdly, competition from lumber shipped in from southern and western states has depressed the margin of profit for some local mills. This competition has not allowed sawmill operators to raise lumber prices enough to offset rising labor and capital expenses. Thus, the profit squeeze idled many

Table 2. — *Lumber production for specified counties, Northern Minnesota, 1965 (Thousand board feet lumber tally)*

County and district	Production by species groups				Percentage change since 1960 (all species)
	All species	Softwoods	Aspen	Other hardwoods	
Carlton	654	400	161	93	- 66
Cook	5,733	3,824	1,284	625	+ 6
Lake	4,517	4,129	54	334	- 23
Pine	1,138	-	-	1,138	+ 5
St. Louis	16,790	12,794	2,367	1,629	- 29
Northeast District	28,832	21,147	3,866	3,819	- 24
Aitkin	4,284	479	1,200	2,605	- 44
Becker	1,534	1,030	138	366	- 64
Beltrami	7,035	3,898	1,393	1,744	- 44
Cass	7,381	4,703	1,779	899	- 21
Clearwater	11,048	928	5,668	4,452	+ 86
Crow Wing	5,608	2,731	2,591	286	- 1
Hubbard	3,232	2,103	941	188	- 23
Itasca	18,276	10,946	4,277	3,053	+ 12
Wadena	787	787	-	-	- 35
Central Pine District	59,185	27,605	17,987	13,593	- 11
Koochiching	6,682	4,103	2,305	274	+ 15
Lake of the Woods	468	416	50	2	- 65
Rainy River District	7,150	4,519	2,355	276	None
Kanabec	711	40	279	392	*
Mahnomen	754	124	61	569	*
Mille Lacs	563	57	144	362	*
Morrison	832	39	10	783	*
Otter Tail	1,307	327	249	731	*
Roseau	1,554	1,380	166	8	*
Todd	1,465	366	280	819	*
TOTAL ALL COUNTIES	102,353	55,604	25,397	21,352	

*Production for 1960 not available on individual county basis.

marginal operations. Approximately one-third of the 733 mills active in 1960 were idle in 1965. Most idled mills were small; nearly three-fourths of them had been producing less than 100,000 board feet annually. Some mills were closed because the operators could make more money in mining or construction work. If economic activity remains high in northern Minnesota, additional marginal mill closings are probable.

The survey method was as follows: Personal interviews were conducted at sample mills selected from the "Directory of Northern Minnesota Sawmills and Other Wood-using Industries." Incuded in the canvass were all mills producing over 500,000 board feet annually, 31.8 percent of the mills producing 250,000 to 499,000 board feet, 16.8 percent of the mills producing 100,000 to 249,000 board feet, and 10.6 percent of the

mills producing under 100,000 board feet. Samples were selected at random within each production class in each county wherever possible. Total production and percentages by species were recorded for each mill visited. The total volume of lumber sawed was obtained by expanding the sample tally in each production class by the number of mills in each class for every county. Species volume percentages were determined for all sample mills in each county. Production for each species in a county was found by multiplying the total production in that county by each species percentage for that county.

The actual sampling error is ± 2.9 percent for total lumber production, ± 4.2 percent for softwood lumber production, and ± 5.1 percent for hardwood lumber production.

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